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NSC BRIEFING

12 November 1953

YUGOSLAVE AND ITALE APOSITIONS ON RECENT TRIESTE DEVELOPMENTS

- I. Atmosphere in Trieste remains tense although no disorders have occurred since7 November.
 - A. US officials in Trieste warn that any weakness in face of violence could easily lead to a situation approaching revolution, Italian and Yugoslav armed intervention, and virtual certainty of war.
 - B. Foreign Minister Popovic has warned that "if events follow their present course the Yugoslav government will be obliged to intervene to protect the Yugoslav ethnic group in Zone A."

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- II. Trieste riots have hardened the respective attitudes of both Yugoslavia and Italy with respect to the implementation of the 8 October decision.
 - A. American Charge Wallner in Belgrade believes that the Trieste demonstrations have removed any possibility that the Yugoslav government will accept a proposal for the transfer of any functions whatsoever to Italy.
 - B. Yugoslavia has proposed to US and
 UK ambassadors in Belgrade that an
 emergency five-power ambassadorial
 meeting be called to consider various
 points of view on Trieste question
 in order to arrive at an agenda for
 a formal conference. By calling
 for such an emergency conference,

Yugoslavia hopes:

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- To avoid discussions based on fixed agenda linked to 8 October decision, and
- 2. To avoid further compromise of position in Trieste by beginning talks before actual implementation of 8 October can be started.
- C. Yugoslavia has withheld public announcement of proposals "for a time" on advice US and British heads-of-mission in Belgrade.
 - It may choose to publish the proposals should further disorders erupt.
 - 2. In any case, Belgrade will probably attempt to use the threat of publication as an ace-in-the-hole to exert further pressure upon the United States and

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- III. In Italy, Premier Pella used the riots to make another demand for early implementation of the 8 October declaration, threatening resignation if his demands were ignored.
 - A. In Italy, as in Trieste itself,

 popular feeling was directed pri
 marily against the British as

 responsible for the actions of the

 Trieste police.
 - 1. Pella requested the American embassy to have General Winterton, British commander of Zone A, replaced by an American.

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- B. Pella, though denying to Ambassador
 Luce that the Trieste disorders were
 staged by pro-government forces, is
 evidently interested in keeping the
 situation stirred up and hoping to
 gain concessions as a result.
 - He told Ambassador Luce on
 November that the Trieste riots
 would make it much more difficult
 for Italy to attend a five-power
 conference on Trieste.
 - 2. He again insisted that Italian police must first be permitted at least to share in control of Trieste police. He said refusal by the United States and Britain would 'risk a fundamental change in pro-Western Italian public opinion."

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- 3. On 6 November the Italian

 General Staff told the American

 embassy that two Italian divisions

 have been alerted for movement to

 Yugoslavia border and that certain

 police detachments were being

 prepared for the occupation of

 Zone A.
- 4. On 10 November the Italian Foreign
 Ministry emphasized to the American Embassy that Italy could not
 attend even a preliminary fivepower meeting of experts unless
 some implementation of the 8 October declaration had first been
 carried out.
- C. On several occasions during the past month Pella has threatened resignation.

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- 1. On 7 November, telling Ambassador
 Luce that the Trieste shootings
 had made his position "almost
 unmanageable," he said he had
 given President Einaudi his
 resignation the previous day but
 that Einaudi had refused to
 accept it.
- D. In fact, Pella will almost certainly resign if he fails to win a prompt solution which in the eyes of the Italian public would approximate the 8 October decision.
- E. His resignation under these circumstances would increase Italian political instability and further strengthen the left and right extremes at the expense of the center, thereby weakening Italy's pro-Western policy.